

This Filing Statement is a reproduction of the original filed with the Exchange by the Company and is issued for information purposes only. The Exchange has neither approved nor disapproved the information contained therein, nor the material change set out in Item 2 below.

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 285.
ACCEPTED FOR FILING, APRIL 9th. 1959.

TOMBILL GOLD MINES LIMITED

Full corporate name of Company

Incorporated under Part XI of the Companies Act of Ontario by Letters Patent
Particulars of Incorporation (e.g., Incorporated under Part IV of The Corporations Act, 1953 (Ontario) by dated October 7,
Letters Patent dated May 1st, 1957) 1935.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

APR 10 1959

1. Head office address and any other office address.	Head Office - Suite 706, 217 Bay Street, Toronto, Ontario.										
2. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(1) Underwriting and Option Agreements - See Item 7 below. (2) Option to purchase property for shares - by Agreement dated March 10th, 1959 with S.A.M. Explorations Ltd. (S.A.M. herein) a Saskatchewan Company, Tombill in consideration of the agreement of Tombill to drill two test holes on Potash properties and rights of S.A.M. with all reasonable despatch, and in consideration of the issuance by Tombill to S.A.M. of 85,000 shares of Tombill free of escrow, acquired the option to purchase the Potash properties and rights of S.A.M. comprising an area of 122,883 acres in the Provinces of Saskatchewan and Manitoba and certain other assets of S.A.M. The said option to purchase may be exercised by Tombill at any time within a period of two weeks after the chemical analysis of the said two test drill holes has been received by Tombill and if exercised, the said Potash properties and rights and the said other assets of S.A.M. shall thereupon be transferred to Tombill and in consideration therefor Tombill shall forthwith allot and issue to S.A.M. an additional 415,000 shares of Tombill free of escrow. The said Agreement is subject to approval by the shareholders of Tombill and by the shareholders of S.A.M. and is also subject to the authorized capital of Tombill being increased to 5,000,000 shares by the creation of 3,000,000 new shares without nominal or par value.										
3. Names, addresses and chief occupations for the past five years of officers and directors.	<table><tr><td><u>President and Director</u> James A. Grant 68 King St.W., Toronto Stock Broker</td><td><u>Director</u> William D. George, Jr. Sewickley, Pa., U.S.A. Real Estate</td></tr><tr><td><u>Vice-Pres. and Director</u> Sidney H. Robinson 2402, 44 King St.W. Toronto, Queen's Counsel</td><td><u>Director</u> Foster W. Hewitt 1 Grenville St., Toronto Radio Executive</td></tr><tr><td><u>Sec.-Treas. and Director</u> H. L. Good 129 Adelaide St.W., Toronto Chartered Accountant</td><td><u>Director</u> George M. Grant Beaver Hall Hill, Montreal, P.Q. Bell Telephone Co. Executive</td></tr><tr><td><u>Director</u> D. A. MacIntosh, 217 Bay St., Toronto Insurance Executive</td><td></td></tr></table>	<u>President and Director</u> James A. Grant 68 King St.W., Toronto Stock Broker	<u>Director</u> William D. George, Jr. Sewickley, Pa., U.S.A. Real Estate	<u>Vice-Pres. and Director</u> Sidney H. Robinson 2402, 44 King St.W. Toronto, Queen's Counsel	<u>Director</u> Foster W. Hewitt 1 Grenville St., Toronto Radio Executive	<u>Sec.-Treas. and Director</u> H. L. Good 129 Adelaide St.W., Toronto Chartered Accountant	<u>Director</u> George M. Grant Beaver Hall Hill, Montreal, P.Q. Bell Telephone Co. Executive	<u>Director</u> D. A. MacIntosh, 217 Bay St., Toronto Insurance Executive			
<u>President and Director</u> James A. Grant 68 King St.W., Toronto Stock Broker	<u>Director</u> William D. George, Jr. Sewickley, Pa., U.S.A. Real Estate										
<u>Vice-Pres. and Director</u> Sidney H. Robinson 2402, 44 King St.W. Toronto, Queen's Counsel	<u>Director</u> Foster W. Hewitt 1 Grenville St., Toronto Radio Executive										
<u>Sec.-Treas. and Director</u> H. L. Good 129 Adelaide St.W., Toronto Chartered Accountant	<u>Director</u> George M. Grant Beaver Hall Hill, Montreal, P.Q. Bell Telephone Co. Executive										
<u>Director</u> D. A. MacIntosh, 217 Bay St., Toronto Insurance Executive											
4. Share capitalization showing authorized and issued and outstanding capital.	<table><tr><td>Authorized Capital</td><td>- 2,000,000 shares</td><td>- No Par Value.</td></tr><tr><td>Issued Capital</td><td>- 1,540,000 shares</td><td></td></tr><tr><td>Shares under Option</td><td>- 60,000 shares</td><td></td></tr></table> <p>But note Items 2 and 7</p>	Authorized Capital	- 2,000,000 shares	- No Par Value.	Issued Capital	- 1,540,000 shares		Shares under Option	- 60,000 shares		
Authorized Capital	- 2,000,000 shares	- No Par Value.									
Issued Capital	- 1,540,000 shares										
Shares under Option	- 60,000 shares										
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding or proposed to be issued.	Nil										
6. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>The Company's Transfer Agent advised that as of March 31st, 1959 the five largest registered shareholders were as follows:</p> <table><tr><td>Playfair & Co. and Playfair & Co.Ltd., 60 Yonge Street, Toronto, Ontario.</td><td>496,648</td></tr><tr><td>James A. Grant, 86 Rosedale Heights Drive, Toronto, Ontario.</td><td>100,000</td></tr><tr><td>Milner, Spence & Co. and Milner, Spence & Co.Ltd., 25 Adelaide Street West, Toronto, Ontario.</td><td>42,700</td></tr><tr><td>Fraser, Dingman & Co., 217 Bay Street, Toronto, Ontario.</td><td>28,500</td></tr><tr><td>Halle & Stieglitz, 52 Wall Street, New York 5, N.Y.</td><td>26,900</td></tr></table> <p>With the exception of James A. Grant who is the beneficial owner of shares shown against his name, the Company is not aware of beneficial owners of other shares shown above.</p>	Playfair & Co. and Playfair & Co.Ltd., 60 Yonge Street, Toronto, Ontario.	496,648	James A. Grant, 86 Rosedale Heights Drive, Toronto, Ontario.	100,000	Milner, Spence & Co. and Milner, Spence & Co.Ltd., 25 Adelaide Street West, Toronto, Ontario.	42,700	Fraser, Dingman & Co., 217 Bay Street, Toronto, Ontario.	28,500	Halle & Stieglitz, 52 Wall Street, New York 5, N.Y.	26,900
Playfair & Co. and Playfair & Co.Ltd., 60 Yonge Street, Toronto, Ontario.	496,648										
James A. Grant, 86 Rosedale Heights Drive, Toronto, Ontario.	100,000										
Milner, Spence & Co. and Milner, Spence & Co.Ltd., 25 Adelaide Street West, Toronto, Ontario.	42,700										
Fraser, Dingman & Co., 217 Bay Street, Toronto, Ontario.	28,500										
Halle & Stieglitz, 52 Wall Street, New York 5, N.Y.	26,900										

7. Details of any treasury shares now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	7. The Company has entered into an underwriting and option agreement with Playfair & Company Limited acting on behalf of thirteen individuals and companies under the terms of which, subject to the Company obtaining Supplementary Letters Patent increasing its capital to 5,000,000 shares by the creation of 3,000,000 new shares without nominal or par value, 500,000 shares will be purchased at 50¢ per share and options to purchase an additional 400,000 shares are granted, 200,000 shares at a price of 75¢ per share exercisable within six months of the date of said Supplementary Letters Patent and the remaining 200,000 shares at the price of \$1.00 per share exercisable within one year of the date of the said Supplementary Letters Patent.																																										
8. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	<div>8. The names and addresses and percentage interest of persons having an interest in the said underwritten and optioned shares are as follows:-</div> <table><tr><th>Name</th><th>Address</th><th>Percentage Interest</th></tr><tr><td>Upper Lakes Shipping Ltd.,</td><td>417 Queens Quay W., Toronto, Ontario.</td><td>40%</td></tr><tr><td>J. D. Leitch,</td><td>417 Queens Quay W., Toronto, Ontario.</td><td>10%</td></tr><tr><td>Foster Hewitt,</td><td>c/o Maple Leaf Gdns., Carlton Street, Toronto, Ontario.</td><td>10%</td></tr><tr><td>J. A. Grant,</td><td>86 Rosedale Heights Drive, Toronto, Ontario.</td><td>8%</td></tr><tr><td>E. W. Simpson,</td><td>133 Hillhurst Blvd., Toronto, Ontario.</td><td>12%</td></tr><tr><td>I. Bradbury,</td><td>70 Four Oakes, Toronto, Ontario.</td><td>2%</td></tr><tr><td>F. K. Carlisle,</td><td>18 Hedgewood Road, Willowdale, Ontario.</td><td>4%</td></tr><tr><td>Glen Echo Mines Ltd.,</td><td>217 Bay Street, Toronto, Ontario.</td><td>4%</td></tr><tr><td>M. C. Robinson,</td><td>47 Rosedale Road, Toronto, Ontario.</td><td>1%</td></tr><tr><td>Gulch Mines Ltd.,</td><td>217 Bay Street, Toronto, Ontario.</td><td>2%</td></tr><tr><td>Geo. F. Hayhurst,</td><td>7 King Street East, Toronto, Ontario.</td><td>2%</td></tr><tr><td>W. D. George, Jr.,</td><td>307-4th Avenue, Pittsburgh, Penn., U. S. A.</td><td>4%</td></tr><tr><td>E. C. West,</td><td>31 Hedgewood Road, Willowdale, Ontario.</td><td>1%</td></tr></table>	Name	Address	Percentage Interest	Upper Lakes Shipping Ltd.,	417 Queens Quay W., Toronto, Ontario.	40%	J. D. Leitch,	417 Queens Quay W., Toronto, Ontario.	10%	Foster Hewitt,	c/o Maple Leaf Gdns., Carlton Street, Toronto, Ontario.	10%	J. A. Grant,	86 Rosedale Heights Drive, Toronto, Ontario.	8%	E. W. Simpson,	133 Hillhurst Blvd., Toronto, Ontario.	12%	I. Bradbury,	70 Four Oakes, Toronto, Ontario.	2%	F. K. Carlisle,	18 Hedgewood Road, Willowdale, Ontario.	4%	Glen Echo Mines Ltd.,	217 Bay Street, Toronto, Ontario.	4%	M. C. Robinson,	47 Rosedale Road, Toronto, Ontario.	1%	Gulch Mines Ltd.,	217 Bay Street, Toronto, Ontario.	2%	Geo. F. Hayhurst,	7 King Street East, Toronto, Ontario.	2%	W. D. George, Jr.,	307-4th Avenue, Pittsburgh, Penn., U. S. A.	4%	E. C. West,	31 Hedgewood Road, Willowdale, Ontario.	1%
Name	Address	Percentage Interest																																									
Upper Lakes Shipping Ltd.,	417 Queens Quay W., Toronto, Ontario.	40%																																									
J. D. Leitch,	417 Queens Quay W., Toronto, Ontario.	10%																																									
Foster Hewitt,	c/o Maple Leaf Gdns., Carlton Street, Toronto, Ontario.	10%																																									
J. A. Grant,	86 Rosedale Heights Drive, Toronto, Ontario.	8%																																									
E. W. Simpson,	133 Hillhurst Blvd., Toronto, Ontario.	12%																																									
I. Bradbury,	70 Four Oakes, Toronto, Ontario.	2%																																									
F. K. Carlisle,	18 Hedgewood Road, Willowdale, Ontario.	4%																																									
Glen Echo Mines Ltd.,	217 Bay Street, Toronto, Ontario.	4%																																									
M. C. Robinson,	47 Rosedale Road, Toronto, Ontario.	1%																																									
Gulch Mines Ltd.,	217 Bay Street, Toronto, Ontario.	2%																																									
Geo. F. Hayhurst,	7 King Street East, Toronto, Ontario.	2%																																									
W. D. George, Jr.,	307-4th Avenue, Pittsburgh, Penn., U. S. A.	4%																																									
E. C. West,	31 Hedgewood Road, Willowdale, Ontario.	1%																																									
9. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Nil																																										
10. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.																																										
11. Brief statement of company's chief development work during past year.	None. The Company carried out general field prospecting work during the year.																																										
12. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company acquired the option to purchase the assets of S.A.M. Explorations Ltd. including Potash properties and rights comprising 122,883 acres in the Provinces of Saskatchewan and Manitoba. Considerable work had been done on these Potash properties and rights by S.A.M. The Company will use the proceeds of sale of treasury shares insofar as the directors consider advisable in connection with drilling two test holes on the said Potash properties and rights and in the event that the said option is exercised for further drilling and exploration and development work and for the general purposes of the Company.																																										

FINANCIAL STATEMENTS

TOMBILL GOLD MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET as at 31st DECEMBER 1958

ASSETS

Current Assets:
Cash
Cash on deposit with the Crown Trust Company
Accounts receivable
Investments in marketable securities - at
cost, less proceeds from sales (approximate
quoted value \$41,300)

Other Investments and Advances:
Advances and vendor's share interest
in affiliated mining company
Sundry - at cost, less amounts written off
Mining Properties - at cost

Deferred Exploration, Development and Other
Expenditure (net):
Balance as at 31st December 1957
Add - Net expenditure for the year ended
31st December 1958 - Schedule I
Balance in Mine, Plant and
Equipment account written off

LIABILITIES

Current Liabilities:
Accounts payable and accrued
Capital Stock: (See note)
Authorized - 2,000,000 shares of no par value
Issued - 1,540,000 shares of no par value
Earned Surplus - no change during the year
ended 31st December 1958
Note: 60,000 shares of capital stock of the
company are under option at 25 cents
per share, exercisable not later than
31st December 1960.

Approved on behalf of the Board
"J.A. Grant" Director
"H.L. Good" Director

\$ 727.50

1,525,000.00

256,703.49

\$ 1,473.27
35,944.01
1,063.44

36,890.04

75,370.76

\$ 27,001.77
5,385.00
1,191,261.90

440,998.40
16,311.02
26,102.14
483,411.56

\$1,782,430.99

\$1,782,430.99

TOMBILL GOLD MINES LIMITED
DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURE
FOR THE YEAR ENDED 31st DECEMBER 1958

Exploration and Development Expenditure (Schedule 2)		\$13,754.34
Administrative and General:		
Annual meeting expenses	\$ 469.40	
Business and Provincial taxes	123.49	
Legal and audit	625.00	
Licenses and government fees	45.00	
Office and general expenses	412.39	
Rent	1,623.96	
Salaries - executives	2,920.00	
Salaries - office	1,983.62	
Telephone and telegraph	297.75	
Transfer agent and registrar fees	<u>444.97</u>	8,945.58
		22,699.92
Deduct:		
Administrative fees	3,735.00	
Interest and dividends	<u>2,653.90</u>	<u>6,388.90</u>
Net Expenditure		<u>\$16,311.02</u>

Schedule #2

TOMBILL GOLD MINES LIMITED
DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURE
FOR THE YEAR ENDED 31st DECEMBER 1958

Geraldton Property:		
Insurance	\$ 52.83	
Property taxes	414.39	
Miscellaneous	<u>237.00</u>	\$ 704.22
Separation Lake (1957 project):		
Assays and metallurgical tests	83.00	
Engineering and consulting fees	895.00	
Travelling expenses	222.07	
Workmen's Compensation	248.02	
Miscellaneous	<u>52.58</u>	
	1,500.67	
Less - 30% of costs borne by Glen Echo Mines Limited	<u>450.20</u>	1,050.47
Joint Exploration (1958 project):		
Assays	122.20	
Camp supplies and expenses	1,794.19	
Engineering and consulting fees	2,487.50	
Magnetometer	510.00	
Mining licenses and fees	190.00	
Travel and transportation expenses	2,350.30	
Wages of prospectors and field employees	8,170.00	
Workmen's Compensation	258.68	
Miscellaneous	<u>181.22</u>	
	16,064.09	
Less - 30% of costs borne by Glen Echo Mines Limited	<u>4,819.23</u>	11,244.86
Other Exploration:		
Engineering and consulting fees - general	550.00	
Joint exploration with New Bidlamaque Gold Mines Limited	178.75	
Miscellaneous	<u>26.04</u>	<u>754.79</u>
		<u>\$13,754.34</u>

TOMBILL GOLD MINES LIMITED

Statement of Source and Application of Funds
for the three months ending March 31st, 1959

Source of Funds

Net proceeds from sale of 1,000 shares of Gunnar Mines Limited at \$18.00 per share	\$17,740.00
Administrative fees	930.00
Interest on cash on deposit with Crown Trust Company	342.66
	<u>\$19,012.66</u>

Application of Funds

General Exploration and Development Expenditure:

Engineering and consulting fees	\$525.00	
Expenses of consultants - travelling, etc.	44.45	
Miscellaneous prospecting costs	63.53	\$ 632.98

Costs pertaining to possible participation in Potash Project:

Travelling expenses of consultants	\$639.40	
Fee for preparation of engineer's report	300.00	
Engineer's expenses - blueprints, etc.	39.60	
Long distance telephone tolls	79.40	1,058.40

Administrative and general expenditure:

Licenses and government fees	\$115.00	
Office and general expenses	181.26	
Rent	405.99	
Salaries - executives	760.00	
Salaries - office	640.59	
Telephone and telegraph	81.35	2,184.19
		3,875.57

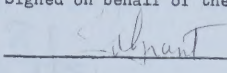
Net Increase in Working Capital

\$15,137.09

Comparison of Working Capital, Mar. 31st, 1959 and Dec. 31st, 1958

	Mar. 31/59	Dec. 31/58	
<u>Current Assets</u>			
Cash on hand and in bank	\$ 1,035.01	\$ 1,473.27	
Cash on deposit with Crown Trust Company	36,286.67	35,944.01	
Cash on deposit with Investment Dealer	15,240.00	nil	
Accounts receivable	1,015.43	1,063.44	
	<u>\$53,577.11</u>	<u>\$38,480.72</u>	
<u>Current Liabilities</u>			
Accounts payable and accrued	686.80	727.50	Increase
	<u>\$52,890.31</u>	<u>\$37,753.22</u>	<u>\$15,137.09</u>

Signed on behalf of the Board:

"J.A. Grant"  Director

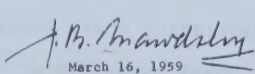
"S.H. Robinson"  Director

GEOLOGIST'S REPORT

Note - The following is an excerpt from a Report by J.B. Mawdsley, Mining Geologist, dated March 16th, 1959, on the S.A.M. Explorations Limited Potash Property located in Saskatchewan and Manitoba. A complete copy of the report is on file with the Toronto Stock Exchange.

Summary and Conclusions

1. The large holdings of S. A. M. Explorations Limited astride the Saskatchewan-Manitoba border are well located as far as transportation, water and power are concerned.
2. The limited amount of drilling done to date indicates a valuable potash deposit of a minable width of six to nine, or more, feet having a grade of over 25 per cent K₂O. This ore is low in insolubles or other deleterious materials.
3. From a mining point of view a very satisfactory "salt back" having a relatively uniform thickness averaging 70 feet is evidently present over the potash except towards the northeast margin of the property. The depth to the salt is about 2,800 feet in the northern part of the property and 3,400 feet in the extreme southwestern part. In the attractive central section it is 2,900 to 3,100 feet.
4. A shaft could be sunk on the flank of the Qu'Appelle Valley reaching the salt at a depth of 2,800 feet. This would save as much as 200 feet in shaft sinking. The shaft collar would be here in bedrock, and sinking through upwards of 300 feet of till would be eliminated.
5. The results of the drilling to date on the property and that done by International Minerals and Chemical Corporation about their shaft a few miles to the northwest, indicate that exploratory drilling in the vicinity of Welby would probably intersect as good or better sections of potash than those already encountered.


March 16, 1959

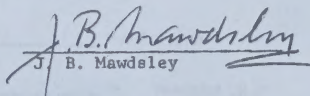
CERTIFICATE

Report of
S. A. M. Explorations Limited
Saskatchewan and Manitoba
March 16, 1959

I, JAMES BUCKLAND MAWDSLEY, of 728 Second Street, Saskatoon,
Saskatchewan, Mining Geologist, hereby certify:

1. THAT I graduated in the year 1921 from McGill University,
Montreal in Mining and also obtained a Ph.D. in Geology from Princeton
University in 1924.
2. THAT I am a Registered Professional Engineer in the Province
of Saskatchewan, a member of the Canadian Institute of Mining and
Metallurgy, a fellow of the Geological Society of America, a member of
the Society of Economic Geologists, a fellow of the Royal Society of
Canada and other professional bodies.
3. THAT I have no interest, directly or indirectly, nor do I
expect to receive any interest directly or indirectly in the holdings
dealt with in this report or in the securities of the S. A. M. Explorations
Limited.
4. THAT the above report is based upon the study of logs and
records of wells drilled on or adjacent to the areas, and publications
referred to in this report.

DATED this 16th day of March, 1959.


J. B. Mawdsley

Qualifications of Writer

The writer was Chief Geologist for the Province
of Saskatchewan from 1950 to 1952 when he entered private practice
as a Consulting Geologist to specialize in Saskatchewan Potash
deposits. During 1952 to 1953 the writer was Consulting Geologist
to the Potash Company of America during their exploration program
in Saskatchewan. Since 1953 to the present the writer has been
Consulting Geologist to the Duval Sulphur and Potash Company for
their Saskatchewan Potash exploration activities. The writer has
examined the Potash Mines at Carlsbad New Mexico several times and
various Potash operations in Germany.

Introduction

This report is to supplement the report submitted by
Dr. J.B. Mawdsley. The main purpose is to express the writer's
opinion that S.A.M. Explorations Ltd. has proven the existence of
a large tonnage of exceptionally high-grade potash under favorable
circumstances.

International Minerals and Chemical Ltd. is presently
establishing their Potash Mining and Refining operations on the
Northwest extension of this high-grade deposit.

Results of Drilling

The Potash properties of S.A.M. Explorations Ltd., which Tombill Gold Mines Ltd. has acquired under option, are considered by the writer to be within the top four Potash Company holdings along the Potash trend in Saskatchewan and Manitoba.

The four holes drilled by S.A.M. are shown on the accompanying map. S.A.M. Exploration No.1 and S.A.M. Boundary No.1 were drilled along the North side of the high-grade area whereas Riddle Tidewater Ste. Marthe was drilled along the South side. The first two holes were located in an attempt to intersect the Potash bed at a very shallow depth, whereas the latter was an oil company location and S.A.M. participated in order to obtain a core through the salt section. S.A.M. Victor No.1 was located near the central axis of the high-grade zone and produced an excellent section (5.2 feet of 31.2% K₂O or 6.9 feet of 29.5% K₂O). The most desirable area remains to be drilled namely Townships 17 and 18, Range 30 West 1st.

Ore Reserves

There are 1.8 million tons of Potash ore per vertical foot per section. S.A.M.'s four holes have proven a bed of Potash 6 feet thick with an average grade of 27% K₂O over at least two townships or 76 sections. Thus the tonnage involved is 76 x 1.8 million x 6 equals 820.8 million tons. Experience has proven that the Potash beds are remarkably uniform and cor-relative over many miles within an orebody.

The average grade for the potash mined at Carlsbad, New Mexico during 1957 was 17.9% K₂O whereas those in Europe about 12% K₂O. Consequently the importance of S.A.M.'s deposit is readily apparent.

Proposed Drilling

The accompanying map shows the location (in green) for the first two holes to be drilled by Tombill Gold Mines. The first hole will be near the centre of Township 18, Range 30, West of 1st; the second hole 4 miles south in Township 17, Range 30, West of 1st. The writer confidently expects that these two holes will up the average grade of the Potash bed from 27% K₂O to 30% or better K₂O and of course substantially increase the tonnage.

Conclusions

(1) Based on the writer's thorough knowledge of Saskatchewan's Potash deposits S.A.M. Explorations Ltd. has found and outlined a very valuable Potash deposit.

(2) The Engineering features associated with mining and refining this Potash deposit are as good if not better than those of the Major Companies along this Potash trend.

(3) S.A.M. has proven, by drilling, in the order of 800,000,000 tons with an average grade of 27% K₂O. It is confidently expected that Tombill Gold Mines' first two holes will improve this grade to at least 30% K₂O for a similar tonnage.

(4) S.A.M. has acquired almost 100% control of the freehold mineral rights, so along with the Crown Potash Mineral rights an excellent land picture is present, especially within the high-grade (30% K₂O) area.

Respectfully submitted

Harold F. Morrow

Harold F. Morrow, B.Sc., M.A., Ph.D., P.Eng.

Note - The Map referred to is on file with the Toronto Stock Exchange.

13. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table><tr><th>No. of Shs.</th><th>Name of Company</th><th>Book Value</th><th>Market Value March 31/59</th></tr><tr><td>176,599</td><td>New Bidlamague Gold Mines Limited</td><td>\$23,362.27</td><td>\$10,595.00</td></tr><tr><td>100,000</td><td>Gulch Mines Limited</td><td>30,096.59</td><td>12,000.00</td></tr><tr><td>3,707</td><td>Aull Metal Mines Ltd. (in escrow)</td><td>1.00</td><td>Nil</td></tr><tr><td>16,000</td><td>Maylac Gold Mines Limited (exchangeable for Gulch Mines Limited. When directions are issued - on basis of 1 Gulch share for every 30 Maylac shares)</td><td>159.00</td><td>640.00</td></tr><tr><td>60,000</td><td>Glen Echo Mines Limited</td><td>5,225.00</td><td>2,600.00</td></tr><tr><td>732,226</td><td>Craskie Mines Limited</td><td>21,128.78</td><td>Nil</td></tr><tr><td></td><td></td><td><u>\$79,972.64</u></td><td><u>\$25,835.00</u></td></tr><tr><td></td><td>Less reserve for investments</td><td><u>34,308.82</u></td><td></td></tr><tr><td></td><td>Net book value of all investments</td><td><u>\$45,663.82</u></td><td></td></tr></table>	No. of Shs.	Name of Company	Book Value	Market Value March 31/59	176,599	New Bidlamague Gold Mines Limited	\$23,362.27	\$10,595.00	100,000	Gulch Mines Limited	30,096.59	12,000.00	3,707	Aull Metal Mines Ltd. (in escrow)	1.00	Nil	16,000	Maylac Gold Mines Limited (exchangeable for Gulch Mines Limited. When directions are issued - on basis of 1 Gulch share for every 30 Maylac shares)	159.00	640.00	60,000	Glen Echo Mines Limited	5,225.00	2,600.00	732,226	Craskie Mines Limited	21,128.78	Nil			<u>\$79,972.64</u>	<u>\$25,835.00</u>		Less reserve for investments	<u>34,308.82</u>			Net book value of all investments	<u>\$45,663.82</u>	
No. of Shs.	Name of Company	Book Value	Market Value March 31/59																																						
176,599	New Bidlamague Gold Mines Limited	\$23,362.27	\$10,595.00																																						
100,000	Gulch Mines Limited	30,096.59	12,000.00																																						
3,707	Aull Metal Mines Ltd. (in escrow)	1.00	Nil																																						
16,000	Maylac Gold Mines Limited (exchangeable for Gulch Mines Limited. When directions are issued - on basis of 1 Gulch share for every 30 Maylac shares)	159.00	640.00																																						
60,000	Glen Echo Mines Limited	5,225.00	2,600.00																																						
732,226	Craskie Mines Limited	21,128.78	Nil																																						
		<u>\$79,972.64</u>	<u>\$25,835.00</u>																																						
	Less reserve for investments	<u>34,308.82</u>																																							
	Net book value of all investments	<u>\$45,663.82</u>																																							
14. Brief statement of any lawsuits pending or in process against company or its properties.	There are no lawsuits pending or in process against the Company or its properties.																																								
15. Names and addresses of persons whose shareholdings are large enough to materially affect control of the company.	James A. Grant, acting in consort with the other Directors may be in a position to materially affect control of the Company if they are able to obtain sufficient proxies from the rest of the large shareholders as shown in Item 6.																																								
16. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None by the Company.																																								
17. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	S.A.M. Explorations Ltd., 31 Malt Building, 1169 Albert Street, Regina, Saskatchewan. The Company has the option to purchase all of the Potash properties and rights of S.A.M. for 500,000 shares of the capital stock of the Company, pursuant to the terms of an option agreement dated March 10th, 1959 between the Company and S.A.M. more particularly described in Item 2 above.																																								
18. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	The Company is advised by S.A.M. Explorations Ltd. that R. V. Tomkins, 65 Haultain Cres., Regina, Saskatchewan, is the only person having a greater than 5% interest in S.A.M. Explorations Ltd.																																								
19. Statement of any other material facts and if none, so state.	None.																																								

CERTIFICATE OF THE COMPANY

DATED March 31st, 1959

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 2 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J.A. Grant"
"S.H. Robinson"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 2 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)